Postal Regulatory Commission Submitted 1/5/2012 2:45:53 PM Filing ID: 79359 Accepted 1/5/2012

# BEFORE THE POSTAL REGULATORY COMMISSION WASHINGTON, DC 20268-0001

Mail Processing Network
Rationalization Service Changes, 2012

Docket No. N2012-1

PUBLIC REPRESENTATIVE'S FIRST SET
OF INTERROGATORIES AND REQUESTS FOR PRODUCTION TO
UNITED STATES POSTAL SERVICE WITNESS WHITEMAN (PR/USPS-T-12: 1-7)

(January 5, 2012)

Pursuant to 39 CFR 3001.25 through 3001.28, the Public Representative hereby submits the following interrogatories and requests for production of documents. Definitions and instructions included with the Public Representative's First Set of Interrogatories and Requests for Production to United States Postal Service, PR/USPS-1-3 dated December 21, 2011, are hereby incorporated by reference.

The Public Representative encourages the Postal Service to discuss issues of burden, privilege, relevance, or question clarity informally to obviate the need for objections or motions practice.

Respectfully Submitted,

/s/ Christopher J. Laver

Public Representative for Docket No. N2012-1

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## PR/USPS-T-12-1

Please refer to page 6 lines 16-19 of your testimony, where you mention that participants accepted the proposed service standards changes after hearing the reasons for them. Is it your opinion that most consumers of First-Class Mail were, prior to being informed, unaware of the reasons behind the Postal Services proposed changes?

## PR/USPS-T-12-2

Please refer to page 8 lines 1-4 of your testimony, which states "it is important to recognize that when respondents are asked to estimate their responses to proposed changes...they tend to overstate their reactions for several reasons..."

- a. Please provide a source apart from new product testing and the overstated "propensity to buy" for the reasons provided.
- b. Please provide a reference linking the use of the likelihood scale with product deletion or service diminution.

#### PR/USPS-T-12-3

Please refer to page 8 of your testimony, which states "the qualitative market research clearly demonstrates that both consumers and commercial organizations will be able to adapt to the changes in the service standards for First-Class Mail, and most would prefer the changes in the service standards to significant price increases."

- a. Please elaborate on the qualitative market research and indicate if participants were given the option to choose between a change in service standards or price increase.
- b. If so, please identify the library reference or description of methodology containing this choice.

#### PR/USPS-T-12-4

Please refer to page 13 lines 4-5 of your testimony where you assert, "when presented with a simple choice, whether the Postal Service should adopt the proposed change or not, approximately 80 percent of the consumers and small commercial customers indicated the Postal Service should adopt it." Were participants given any other options, apart from those referenced in the response to question PR/USPS-T-12-4?

## **PR/USPS-T-12-5**

Please refer to page 9 lines 11-12 of your testimony, where you state "...focus groups and personal interviews allow us to gain a deep understanding of how customers will react."

- a. Please indicate any differences in the ways the Postal Service is using the qualitative market research compared to the N2010-1 six to five day proposal.
- b. How, if at all, did findings from the qualitative research impact the proposed service changes in this case?
- c. Do you contend consumer knowledge of service standards correlates to consumer "adaptability" mentioned on page 11, lines 17-22 of your testimony?

## PR/USPS-T-12-6

Please refer to page 8 lines 14-16 of your testimony, where you stipulate market research "compresses all estimates of change to a single point in time, when, in reality, the estimated change may take effect over a much longer period of time."

- a. In this case, are the impact figures from page 7 lines 18-22 perpetual, recurring, or one-time?
- b. If they are one-time, do the figures attempt to aggregate the estimated changes that occur over time?

## PR/USPS-T-12-7

Please refer to page 21 lines 8-10 of your testimony, where you state that you replicated the approach used to estimate the volume and revenue impact from N2010-1. Please indicate if there are any methodological or technical differences used in this case, and specifically identify the differences.